DOCUMENT RESUME

ED 093 545 RC 008 005

AUTHOR Bigart, Robert J.
TITLE Social Change in Montana. Montana Economic Study-Staff Study.
INSTITUTION Montana Univ., Missoula. Bureau of Business and Economic Research.
SPONS AGENCY Department of Housing and Urban Development, Washington, D.C.; Montana State Dept. of Planning and Economic Development, Helena.
REPORT NO Montana-P-31
PUB DATE Jun 70
NOTE 38p.

EDRS PRICE MF-$0.75 HC-$1.85 PLUS POSTAGE
DESCRIPTORS Community Control; *Community Surveys; *Economic Development; Industrialization; Political Attitudes; *Rural Population; *Social Change; Tables (Data); *Technological Advancement
IDENTIFIERS *Montana

ABSTRACT

An interrelationship exists between economic development and social change in Montana. The community's social life is affected by outside intervention or investment in the local economy, industrialization in the community, and technological changes in agriculture. The basic developments affecting these areas of social change are discussed in the three sections of this publication, which are: (1) Some Effects of Industrialization on Social Life in the Community; (2) Effects of Industrialization on Community Autonomy; and (3) Social Effects of Technological Change in Agriculture. Section 1 explores general social effects resulting from development, using studies of social change in communities outside the State and relating the results to Montana. Local autonomy as affected by industrialization and its effect on social change is discussed in section 2. Data on the ratio of active proprietors of unincorporated business to the number of establishments are given in tabular form. Section 3 reviews the effects of technological changes and the social and political ideals of Montana's rural population. (NQ)

ED 093545

U.S. DEPARTMENT OF HEALTH
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

SOCIAL CHANGE IN MONTANA

Robert J. Bigart

JUNE 1970

ED 093545

Montana Economic Study

Staff Study

Project No. Montana P-31

Prepared under agreement for the Montana State Department of Planning and Economic Development, Montana State Water Resources Board and the University of Montana. The preparation of this document was financed in part through the Urban Planning Grant from the Department of Housing and Urban Development, under the provisions of Section 701 of the Housing Act of 1954, as Amended.

University of Montana
School of Business Administration
Bureau of Business and Economic Research

1970

Preface i

Some Effects of Industrialization on
Social Life in the Community 1

Effects of Industrialization on Community Autonomy . . . 9

Social Effects of Technological Change in Agriculture . .22

PREFACE

The following papers are offered to the reader as attempts to interpret the sociological material available on social change in Montana. The treatment is neither exhaustive nor complete. It tries only to outline the basic developments affecting three areas of social change in Montana, and the reader should be cautioned that these are not intended to be definitive treatments of the topic.

Bob Bigart

SOME EFFECTS OF INDUSTRIALIZATION ON SOCIAL LIFE IN THE COMMUNITY

Economic development in Montana is often considered without adequate understanding of its impact in other areas of community life. History is filled with examples of economic events with damaging social consequences that, if foreseen, could have been avoided or moderated. This paper will try to explore some of the general social effects that can be expected from development. Since few community studies exist that deal with social change in Montana towns and cities, this discussion will use studies of social change in communities outside Montana and try to relate the results to the Montana scene.

The interrelation of society and economy has been developed in detail by Talcott Parsons and Neil J. Smelser in their book Economy and Society.[1] They see the economy as one of the four subsystems in a society derived from the basic functions in Parsons' theory of action: (1) goal-attainment accomplished through the broader political functions of a society, (2) integration through the mechanisms of social control, (3) latent-pattern maintenance and tension management through the value orientations of the institutionalized culture, and (4) adaptation through the economic working of the community. For this discussion, however, the specific

---

1. Talcott Parsons and Neil J. Smelser, Economy and Society: A Study in the Integration of Economics and Social Theory (New York: The Free Press, 1956), pp. 46-51, 306-309.

functions of the economy are less important than the conception of the economy as one part of a larger whole, conditioned and influenced by other sectors of the society, as well as influencing society itself. The economy carries out its adaptive function regulated by assumptions and goals determined by the other units of a society. Karl Marx and others might dispute Parsons' view that the economy is not the basic determinant of social organization, but the interrelation of the economy and society is a point of general agreement. One consequence of this interrelationship is that economic development in Montana can be expected to result in social changes for the communities involved. The case under consideration, however, deals with the extraordinary adjustments and changes in a community's social life caused by outside intervention or investment in the local economy rather than Parsons' largely independent national economy.

Effects on Internal Community Organization

The disruptive effects of economic development on the internal social organization in a community depends, in part, on the willingness of the middle and upper classes in the community to accept new members. Since the middle class is usually fluid enough to admit those with the proper economic credentials, the main problem would be the willingness of the more homogeneous upper class to absorb those who have prospered through development in the economy period. This clash between the new and old money in a community occurs because, while American social values recognize economic advancement as one means for people to rise within the social structure, these values do not allow economic position alone to legitimize membership in

the higher social groupings. Since status in America is determined by lineage as well as wealth and its manipulation, an area of potential conflict is built into the social structure, for only one of these two requirements can be met by the newly rich.[2]

For much the same reason the British insist it takes three generations of money to produce a gentleman, social leaders in America will emphasize the lack of "polish" in a family's first generation with money. The newly rich may have been led by the popular social mores in the community to assume that money alone would earn them a place in the better set, but when they have arrived financially they find out that manners of behavior and attitudes still separate them from those who have been "bred to their position." The leading citizens in the community's social life are expected to have a personal graciousness with others, civic-mindedness, and a cosmopolitan outlook, as well as money.

To some the democratic ideal in American political philosophy makes social classes un-American. Social classes, however, only indicate that social prestige and economic status are not distributed equally to all the people in the society. The existence of classes does not indicate that the society does not recognize mobility between classes, because if mobility is unrecognized or minimal the social organization becomes a caste system. American democracy does not require an equal distribution of goods and esteem but an equal distribution of the opportunity to earn those goods and social esteem. Division into social classes indicates only that the

---

2. This theme is developed for one community in Art Gallagher, Jr., Plainville Fifteen Years Later (New York: Columbia University Press, 1961), pp. 203-205, 209-212.

social and physical goods in the society are not equally distributed to all members, but that avenues of social mobility are recognized.[3]

The separateness of the socio-economic classes in Muncie, Indiana, of the 1920s was noticed by the Lynds in their classic study, Middletown.[4] The Lynds found that even in the 1890s most Middletowners recognized differences in social and economic rank within the community. In the Middletown of the 1920s, the world of the business class existed beside that of the working people but to a large extent each excluded the other from their immediate social concerns. Each level of the social ladder worshiped in separate churches and maintained different sets of social organizations. This distance between the social classes in Middletown had increased with the industrialization since the 1890s:

> In the main, as has been suggested, the cleavages which break up Middletown into its myriad subgroups appear to have become somewhat more rigid in the last generation.[5]

A more elaborate delineation of class in America was developed in W. Lloyd Warner's studies of Newburyport, Massachusetts.[6] Warner developed a six-class system consisting of an upper-upper, lower-upper, upper-middle,

---

3. See discussion in W. Lloyd Warner, editor, Yankee City, one volume abridged edition (New Haven, Connecticut: Yale University Press, 1963), pp. 36-37.

4. Robert S. Lynd and Helen Merrill Lynd, Middletown: A Study in Modern American Culture (New York: Harcourt, Brace and World, Inc., 1956), Chapters 21 and 28 especially.

5. Ibid., p. 479.

6. Warner, Yankee City, Chapter 2.

lower-middle, upper-lower, and lower-lower classes with people distributed among the classes by means of area of residence and membership in different community organizations. While the Yankee City study was done of a New England city, Warner later demonstrated that social classes existed in a small midwestern city as well.[7] One might question Warner's social class divisions, because his neatly pyramiding classes are a little too systematic and orderly to readily accept, but he seems to have adequately defended his general conclusion that American society is composed of subgroups of varying homogeneity and socioeconomic levels. Jonesville, the midwestern city Warner studied, had many people who were either moving up or down the social scale through education or other forms of achievement.[8] The restrictions and barriers that impede this mobility and assure that only the brightest of the lower classes are able to rise were found to be effective obstacles restricting upward mobility.[9]

A study in the 1950s by Arthur J. Vidich and Joseph Bensmen is more relevant to the Montana situation since it concerns a rural community in New York State.[10] Here again the community was found to fall into a system of classes which, though not as systematic as Warner's, could be ranked into a general social hierarchy. Restraints against upward mobility were again present because, as they say, only . . .

---

7. W. Lloyd Warner and Associates, Democracy in Jonesville: A Study of Quality and Inequality (New York: Harper & Row, Publishers, 1949).

8. Ibid., Chapter 4.

9. Ibid., Chapter 6.

10. Arthur J. Vidich and Joseph Bensmen, Small Town in Mass Society: Class, Power, and Religion in a Rural Community, revised edition (Princeton, New Jersey: Princeton University Press, 1958, 1968).

> . . . through the judicious manipulation and exercise of a combination of hard work and self-improvement a man improves his social position. Literally he mobilizes all his resources for a chance to move upward in the social estimation of others. His position at any given time is most easily, although by no means exclusively, measured by money.[11]

Even though there have been no systematic studies on the subject, one might speculate that Montana society is also separated into hierarchial class groupings with social and economic restraints on mobility between classes. One can see this social ranking roughly approximated in the residence patterns within a city such as Missoula. The north side in Missoula is generally considered the least desirable place to live within the city, with the west side only slightly better.[12] On the other end of the scale, "Snob Hill" (Pattee Canyon and the developments such as Farviews on the hill south of the central city) is usually considered the most prestigious area of residence. The Rattlesnake area would perhaps have a slightly lower ranking followed by the south side and University section. This does not cover the entire city of Missoula, but gives an idea of the relative social prestige of most areas in the city. Rural areas of the state have a less defined social hierarchy but they also have their leaders who are usually among the more wealthy members of the community.[13]

---

11. Vidich and Bensmen, Small Town, p. 51.

12. This understanding of social rank of residence areas in Missoula is based on a view from the bottom up, since the author's associations have been with the lower socio-economic classes in Missoula.

13. For a different interpretation of class in rural America see John W. Bennett, Northern Plainsmen: Adaptive Strategy and Agrarian Life (Chicago: Aldine Publishing Company, 1969). Bennett argues that social classes do not exist but does admit that a much more indefinite type of ranking functions within small rural communities, pp. 72-74.

However clearly defined they might be, the existence of social classes in Montana seems clear enough to indicate that further industrialization in the state would cause social problems by introducing new sources of wealth and prestige into a community. American society has restricted social mobility in order to keep change from occurring so fast it threatens the established order. In the normal working of the system the upper class absorbs the cream of the middle class and maintains its position by assimilating them into the existing upper class values and outlook.[14] When something extraordinary happens, like a large plant moving into town, the number of new people with money who must be incorporated into the upper class can strain the whole system. If the old leadership in the community is not willing or is unable to absorb the new elite, it could be replaced by the new leaders. An example of this potential conflict is the position of the X family in the Lynd's Middletown in Transition.[15] In Middletown, the X family was able to insure their continued leadership position by aligning themselves with the new interests in the community.[16] However, not all community elites have been as able to adapt to the new situation. Consequently the social leadership must be willing to adapt to and work with the new leaders a factory brings into the community. In cases where economic planners wish to avoid possible opposition to their work from the established leaders in the community, they should consider involving these

---

14. In Warner's system, the lower-upper class members are the unassimilated rich.

15. Robert S. Lynd and Helen Merrill Lynd, Middletown in Transition: A Study in Cultural Conflicts (New York: Harcourt, Brace & World, Inc., 1937).

16. Ibid., pp. 457-459.

leaders in the planning and development of any new industrial plants for the area. If the planners do not wish to perpetuate the old leadership, they will run the risk of encountering opposition or at best vacillating support from the members of this influential group of community members.

Parallel to adjustment in the social sphere, the economic change caused by industrialization in a community also pressures the political system to incorporate the new leaders into the old leadership groups. Ethnic politics in eastern cities, such as Boston and New York City, are the classic example of what happens when the established political leadership is unable to represent the new groups in the community. The new groups remained unrepresented until they were large enough to put their own leaders into political office and turn out the established leaders. Montana can avoid some of the problems and tension associated with this social and political adjustment to economic growth, but only if they are willing to consider the issues involved and not just ignore the problem, hoping it will go away.

EFFECT OF INDUSTRIALIZATION ON COMMUNITY AUTONOMY

The increasing integration of the American economy in the last century has reduced the independence of local communities from outside control. When a community becomes industrialized, its dependence on the national economy can be expected to increase as the local economy becomes geared to production for a larger market than before. If the new plant is not locally owned, the basic management decisions affecting the community will be made outside the town, and away from its control and influence. Hannibal, Missouri, for example, has become concerned about its increasing economic dependence on decisions made outside the community:

> 'A lot of us worry that American business has grown unwieldy,' says one attorney, adding that 'like government bureaucracy, big business is often slow to react to people, and we find that frightening sometimes.'[17]

Most American communities have a tradition of local independence which can go back to Colonial times. In Sumner Chilton Powell's delightful book, Puritan Village, the independence allowed Sudbury, Massachusetts during its early years has been well documented.[18] In the seventeenth century the ability of any central government in America to control local communities was seriously limited by technological

---

17. Harold B. Meyers, "How They See It in Hannibal, Missouri," Fortune, vol. 80, no. 7 (December 1969), p. 147.

18. Sumner Chilton Powell, Puritan Village: The Formation of a New England Town (Garden City, New York: Doubleday & Company, Inc., 1963).

limitations in transportation and communications:

> As far as one can tell from reading the Sudbury orders, the selectmen assumed that once the General Court had made the initial town grant, they were the principal source of power in their area, subject only to approval of the townsmen. It was very significant that when the General Court sent out an investigating committee in 1656, not only was there resentment in Sudbury, but also there is no indication that the townsmen followed the recommendations on the seizing of the commons.[19]

The town was not only more politically independent than present-day communities, but the same technological limitations caused it to be more independent economically because the local economy was oriented more towards subsistance.

In the Yankee City studies in the 1940s, Warner found that the traditional pattern of local autonomy had been reduced considerably by the centralization of business control in America. The shoe factories in Yankee City were no longer always controlled and owned by people who lived in and were largely responsible to Yankee City society. The managers of the factories were often controlled by or responsible to absentee owners or outside bankers:

> Such factories . . . resist many forms of social control by the local community, particularly the informal controls. If the community seeks to impose control, the absentee directors are likely to remove operations from the community. In order to keep such factories, Yankee City must accept a subordinate position and cater to their needs rather than try to control them as the community once controlled the small locally owned factories.[20]

---

19. Powell, Puritan Village, p. 180.

20. Warner, Yankee City, p. 315.

The experience of Yankee City suggests that the economy of many local American communities has become more thoroughly integrated into the larger American economy and potentially less responsive to local controls.

A later study which examines the cultural rather than the economic influence of the national society on a local community is Small Town in Mass Society. Vidich and Bensmen have tried to show "the penetration of the 'isolated' community by the agencies and culture of mass institutions."[21] The cultural importations from mass society included not only immigrants and the social and political groups which were local chapters of national organizations but even the daily news which consisted largely of national and state events. The impact of the mass society on life in Springdale was found to vary for different occupational groups, but all of the community had been influenced by the larger society to the extent that it could no longer be considered as autonomous as Sudbury had been. Even the local levels of government were restricted in their operation by federal and state regulations. Vidich and Bensmen have assembled an impressive case in defence of their hypothesis that Springdale in particular and small communities in general have lost the cultural and political isolation they experienced during previous centuries.[22]

A post New Deal examination of the political impact of the increasing integration of American society found that local governments had been maintaining their prerogatives in those areas where they had previous responsibility.[23] The federal and state governments were, of course,

---

21. Vidich and Bensmen, Small Town, p. vii.

22. Ibid., Chapter 4.

23. Paul N. Ylvisaker, "Blue Earth County, Minnesota: A Case Study in the Local Workings of American Government," 1948, unpub. Ph.D. thesis, Harvard University.

providing increased services but these were mainly in areas where local governments had not been involved. The study observed that:

> Prevelant fears to the contrary, centralization has not led to the subjugation or destruction of local units. Rather . . . local government in Blue Earth County has both steadily increased its services and strengthened its financial position, without any marked intensification of central controls.[24]

A recent Brookings Institution study of the change in the political role of local government noticed that American political theory is shifting toward a conception of federalism where power is shared rather than divided between different levels of government.[25] The areas where the national government has taken added powers were those in which the local governments had defaulted on their responsibility. Shared power in this study indicated a system where basic policy decisions were largely made in Washington but the decisions were applied on the state and local level.

The loss of local autonomy has been studied by Maurice R. Stein who tried to set up an interpretive framework for understanding American community studies.[26] Stein saw increased interdependence and decreased local autonomy as an underlying trend in the studies. Community patterns in America had, according to Stein, become increasingly standardized with "agencies of nationwide diffusion and control acting as centers of innovation."[27]

---

24. Ylvisaker, "Blue Earth", p. 305.

25. James L. Sundquist and David W. Davis, Making Federalism Work (Washington, D.C.: The Brookings Institution, 1969).

26. Maurice R. Stein, The Eclipse of Community: An Interpretation of American Studies (New York: Harper and Row, 1960).

27. Stein, The Eclipse of Community, p. 108.

Sociological studies of American communities seem to give some factual basis for the apprehension many Hannibalians have about the loss of local autonomy:

> Though they live apart, they know that the outside world rules their destiny, and evil influences from the outside--crime, disorder, immorality, racial unrest, disrespect for God and country--seem always to be pressing in on their tranquility.[28]

Montana, however, was settled later and under different circumstances than the Eastern United States which would seem to have influenced the chance for truly independent communities to develop.

THE SPECIAL CASE OF MONTANA COMMUNITIES

By the time Montana was settled, the technological limitations on economic integration in America were breaking down. As a consequence of that and other developments, Montana's economy has been largely exploitive and colonial--oriented toward producing for out-of-state markets rather than local consumption. According to Joseph Kinsey Howard, a well-known commentator on Montana affairs, over its short history Montana has been unable to establish a stable economy. Howard observed that the state's "history has been bewilderingly condensed, a kaleidoscope newsreel, unplotted and unplanned; while that of other states frequently has been directed, molded by tradition into a coherent and consistent drama." This has caused the state to develop a "tradition of recklessness, of violent living in a violent land." Within the state economy, this tradition has

---

28. Meyers, "How They See It," p. 75.

emphasized the primary industries that exploit the land and natural resources for products to be sold in exchange for manufactured goods and food stuffs from out-of-state.[29] This high propensity to export makes Montana especially vulnerable to economic developments outside the state.

A more recent work by K. Ross Toole, Montana: An Uncommon Land, has also emphasized the control and influence investors and businessmen outside the state have had on Montana's economy:

> Nature, not the evil designs of men, decreed that Montana be a place with a colonial economy. The object of men had to be to trap it, mine it, shoot it, and get out. Every one of the salient industries has been extractive, from beaver through beef to copper. The capital required for frantic exploitation, whether of furs, cattle, silver, lumber, or copper, had to come from the East. And as eastern capital flowed westward, control and the bulk of the wealth flowed eastward.[30]

One reaction to this lopsided economic integration has been the advent of the Populists and other radical movements which were active in the Montana lumber, mining, and agricultural industries. The populist movement of the late 19th century protested inequities in the American economy such as its "monopoly structure" which were especially harmful to states like Montana that were able to produce few of the goods and

---

29. Joseph Kinsey Howard, Montana: High, Wide, and Handsome (New Haven: Yale University Press, 1943), pp. 3-5.

30. K. Ross Toole, Montana: An Uncommon Land (Norman: University of Oklahoma Press, 1959), p. 9.

services it used.[31] According to the Populist view, the productive forces in America which were "the common property of all have been made the monopoly of the few."[32]

The impressive strength of the Populist movement in Montana in the 1890s suggests that the dependence of Montana's economy on outside markets and capital made the Populist critique of business monopoly seem to have special merit. The Populists in Montana supported the workers against the mine operators who at that time were capitalized by eastern business and later sold out to a large Eastern trust. The capricious silver market frequently had disastrous effects on employment in the Montana mining industry, making Populism in Montana, unlike Populism in other states, a movement concentrated among urban laborers attracted by the Populist belief in unlimited silver coinage.

The Populists criticized the Northern Pacific for an attempt to gain mineral lands in violation of its charter. This was viewed as a predatory move by an outside corporation that seriously threatened the mining industry and lent popular credence to the Populist view of American society. Many of the other Populist goals dealt with such labor objec-

---

31. This is becoming less true today as the proportion of Montana's industry that is export oriented is decreasing even faster than the decrease for the country as a whole. See "The Montana Economy," Research Report of Montana Economic Study, pt. 1, chap. 2 (Missoula, Montana: Bureau of Business and Economic Research, University of Montana, in progress).

32. Quoted in Norman Pollack, The Populist Response to Industrial America: Midwestern Populist Thought (New York: W.W. Norton & Company, Inc., 1962), p. 17. For a different viewpoint on Populism see Richard Hofstadter, The Age of Reform: From Bryan to F.D.R. (New York: Random House, 1955), chap. 2.

tives as the eight-hour day, abolition of the company store, and prohibition of the use of Pinkerton detectives in labor disputes.[33]

Further evidence of radical agitation against outside corporations includes the 1917 lumber strike led by the Industrial Workers of the World (IWW) against the Anaconda Copper Mining Company and Northern Pacific Railway, who together controlled most of the lumbering industry in Montana.[34] Another, and possibly more colorful expression of radical resentment of Montana's colonial position, can be seen in the Communist activity in northeastern Montana during the 1920s and 1930s.[35]

Neighboring states with problems of outside control similar to Montana's have also developed radical critiques of the monopoly tendencies in capitalist economies. In the 1910s and early 1920s North Dakota saw the development of the Nonpartisan League which tried to fight against control of that state by eastern capitalists. The League also had considerable support in eastern Montana but encountered concentrated opposition from the Anaconda Copper Mining Company.[36] Neighboring Saskatchewan still retains the

---

33. For a detailed discussion of Populism in Montana see Thomas A. Clinch, Urban Populism and Free Silver in Montana: A Narrative of Ideology in Political Action (Missoula: University of Montana Press, 1970).

34. Benjamin G. Rader, "The Montana Lumber Strike of 1917," Pacific Historical Review, vol. 36, no. 2 (May 1967), pp. 189-207.

35. Charles Vindex, ". . . The Agonizing Years: Radical Rule in Montana," Montana: The Magazine of Western History, vol. 18, no. 1 (January 1968), pp. 2-18.

36. For the story of the league and a short discussion of its activity in Montana see Bruce Nelson, Land of the Dakotas (Lincoln: University of Nebraska Press, 1946), chaps. 17 and 18.

distinction of having had the only government with avowed socialist goals in Canada or the United States.[37]

Though the political radicalism in Montana suggests a popular realization of Montana's colonial dependence, it does not necessarily show that such dependence actually existed. As mentioned above, however, besides the control of the railroads by eastern corporations the Anaconda Company dominated Montana's mining industry early in the century and the Anaconda Company and Northern Pacific controlled much of the lumber industry. Around the turn of the century even more than now, transportation, mining, and lumbering comprised a considerable portion of the nonagricultural economy in the state. After the settlement of eastern Montana in the early twentieth century, even agriculture was largely controlled by eastern capital.[38] So much of the capital used in developing agriculture in eastern Montana was from out of state that the tightening of credit by the Federal Reserve in 1920 precipitated a disastrous series of bank failures in the agricultural portions of the state. The failing banks did not have enough local capital to keep operating when eastern capital was attracted elsewhere and tight money restricted bank credit.[39] The control of outside capital over Montana's

---

37. See Seymour Martin Lipset's extensive treatment of the movement in Agrarian Socialism: The Cooperative Commonwealth Federation in Saskatchewan: A Study in Political Sociology, Updated edition (Garden City, New York: Doubleday & Company, 1968).

38. James H. Dion, "History of Banking in Montana," chap. 16 of A History of Montana, edited by Merrill G. Burlingame and K. Ross Toole (New York: Lewis Historical Publishing Company, Inc., 1957), pp. 402-403; Howard, Montana, p. 185.

39. Donald Elliott, "Commercial Bank Failures in Montana, 1920-1926," unpublished master's thesis, University of Montana, Missoula, 1957, pp. 80-84.

economy seems to have been impressive fifty years ago, suggesting that the Populist reaction represented the real colonial economic position of the state.

The history of outside control in Montana should make Montanans in the 1970s less apprehensive about the effects of outside business moving into an area than the residents of a more traditionally autonomous community would be. The data available does not demonstrate conclusively that Montana is being influenced by the current centralization trend in American business, but the information from the Census of Business in 1963 and 1967, shown in tables 1, 2, and 3 demonstrates that the 1960s have seen a general decline in the ratio of the number of active proprietors of unincorporated businesses to the number of establishments, as one would expect if centralization were taking place. Despite the inconclusiveness of the data, however, most Montanans realize that the number of outside corporations active in Montana has increased in the last ten years. Since the outside control of Montana business is not a new phenomenon, the state should be able to respond much more intelligently to the problems resulting from a lack of local autony.

TABLE 1

Ratio of Proprietors to Number of Establishments
in Selected Industries in Montana, 1963 and 1967

SIC Code	Business	1963			1967		
		Number of Establishments	Active Proprietors of Unincorporated Businesses (Number)[1]	Ratio	Number of Establishments	Active Proprietors of Unincorporated Businesses (Number)[1]	Ratio
701, 703	Hotels, motels, tourist courts, camps	1,044	1,128	108	958	874	91
72	Personal services	1,470	1,495	102	1,347	1,045	78
73	Miscellaneous business services	383	320	84	500	343	69
75	Auto repair, auto services, garages	553	572	103	501	487	97
76	Miscellaneous repair services	544	555	102	446	374	84
78	Motion pictures	129	102	79	111	67	60
79	Amusement, recreation services, except motion pictures	242	188	78	321	214	67

Source: Calculated from data found in U.S. Department of Commerce, Bureau of the Census, Census of Business: 1963, Selected Services: Montana (Washington, D.C.: U.S. Government Printing Office, 1964) and U.S. Department of Commerce, Bureau of the Census, Census of Business, 1967, Selected Services: Montana (Washington, D.C.: U.S. Government Printing Office, 1968).

1. Computed by crediting sole proprietorships with one proprietor and partnerships with two proprietors for each establishment, including multi-unit and franchise firms.

TABLE 2

Ratio of Proprietors to Number of Retail Trade Establishments in Montana, 1963 and 1967

SIC Code	Business	1963 Number of Establishments	1963 Active Proprietors of Unincorporated Businesses (Number)[1]	1963 Ratio	1967 Number of Establishments	1967 Active Proprietors of Unincorporated Businesses (Number)[1]	1967 Ratio
52	Building materials, hardware, and farm equipment dealers	684	486	71	630	441	70
53 Part	General merchandise group stores	317	222	70	306	187	61
54	Food stores	993	964	97	857	809	94
55 EX.554	Automotive dealers	485	330	68	511	385	75
554	Gasoline service stations	1,075	1,102	103	1,009	1,049	104
56	Apparel and accessory stores	450	374	83	361	317	88
57	Furniture, home furnishings, equipment	336	302	90	324	282	87
58	Eating and drinking places	2,025	2,202	109	1,922	2,123	110
591	Drug store and proprietory stores	260	241	93	257	207	81
59 EX.591	Other retail stores	901	718	80	934	786	80
53 Part	Nonstore retailers	271	254	94	293	291	99

Source: Calculated from data found in U.S. Department of Commerce, Bureau of the Census, Census of Business, 1963 Retail Trade: Montana (Washington, D.C.: U.S. Government Printing Office, 1964) and U.S. Department of Commerce, Bureau of the Census, Census of Business, 1967, Retail Trade: Montana (Washington, D.C.: U.S. Government Printing Office, 1968).

1. Computed by crediting sole proprietorships with one proprietor and partnerships with two proprietors for each establishment, including multi-unit and franchise firms.

TABLE 3

Ratio of Proprietors to Number of Establishments
in Wholesale Trade (By Kind of Business), 1963 and 1967

SIC Code	Business	1963 Number of Establishments	1963 Active Proprietors of Unincorporated Businesses (Number)[1]	1963 Ratio	1967 Number of Establishments	1967 Active Proprietors of Unincorporated Businesses (Number)[1]	1967 Ratio
501	Motor vehicles, automotive equipment	139	33	24	154	37	24
502	Drugs, chemicals, allied products	32	4	13	25	5	20
504	Groceries and related products	106	46	43	111	57	51
505	Farm products-raw materials	370	32	9	288	29	10
506	Electrical goods	46	11	24	40	12	30
507	Hardware, plumbing, heating equipment, supplies	34	16	47	32	16	50
508	Machinery, equip., supplies	154	46	30	165	42	25
5091	Metals and minerals, NEC	18	3	17	15	1	7
5093	Scrap and waste materials	13	12	92	8	6	75
5094	Tobacco and its products	17	5	29	15	4	27
5095	Beer, wine, distilled alcoholic beverages	46	38	83	45	26	58
5096	Paper and its products	21	9	43	24	11	46
5097	Furniture and home furnishings	11	4	36	7	2	29
5098	Lumber and construction materials	52	13	25	50	13	26

Source: Calculated from data found in U.S. Department of Commerce, Bureau of the Census, Census of Business, 1963 Wholesale Trade: Montana (Washington, D.C.: U.S. Government Printing Office, 1964 and 1968).

1. Computed by crediting sole proprietorships with one proprietor and partnerships with two proprietors for each establishment, including multi-unit and franchise firms.

The social and political ideals expressed by the rural population have changed considerably over the last one hundred years. Where once rural agitation was at the forefront of radical politics in the Populist and parts of the Progressive and New Deal movements, the rural population of the United States is now often the backbone of conservative and, at times, even reactionary movements. Richard Hofstadter has argued in his Pulitzer Prize winning book, The Age of Reform, that the change in the farmer's political orientation represents a more apparent than real shift in the agrarian personality. Hofstadter explains it this way:

> The farmer's commercial position pointed to the usual strategies of the business world: combination, co-operation, pressure politics, lobbying, piecemeal activity directed toward specified goals. But the bathos of the agrarian rhetoric pointed in a different direction: broad political goals, ideological mass politics, third parties, the conquest of the "money power," the united action of all labor, rural and urban. When times were persistently bad, the farmer tended to reject his business role and its failures to withdraw into the role of the injured little yeoman . . . The American farmer thus had a dual character, and one way of understanding our agrarian movements is to observe which aspect of the farmer's double personality is uppermost at a given time.[40]

---

40. Hofstadter, The Age of Reform, pp. 46-47.

Some writers, such as Norman Pollack, have objected to Hofstadter's suggestion that Populism is a forerunner of Joe McCarthy and the John Birch Society and have tried to show that Populism "was a progressive social force."[41] But aside from the historical argument of the progressive or reactionary nature of Populism, the striking difference between agricultural politics today and ninety years ago is recognized by both sides.

The Populist movement of the last century was an example of a radical rural movement against social and economic privilege. In Montana, however, the movement was based in the urban areas as a result of the free silver issue.[42] The Progressive movement of the early twentieth century also had substantial rural support, though its appeal was much broader than that of the Populists and also included large numbers of middle-class supporters.[43] It was during the Progressive period of American history that the Nonpartisan League organized farmers in the Dakotas and Eastern Montana against the "business interests." The influence of the Nonpartisan League was limited in Montana because of the opposition of the Anaconda Company, but its support among the wheat farmers in Montana and the Northern Plains in general was important. The League met with impressive and volatile

---

41. Norman Pollack, The Populist Response to Industrial America: Midwestern Populist Thought (New York: W.W. Norton & Company, Inc., 1962), p. 12; for a good example of the historical interpretation which links McCarthyism and Populism see Peter Viereck, "The Revolt Against the Elite" in Daniel Bell, editor, The Radical Right (Garden City, New York: Doubleday & Company, Inc., 1963), pp. 161-184.

42. For a full discussion see Thomas A. Clinch, Urban Populism and Free Silver in Montana: A Narrative of Ideology in Political Action (Missoula, Montana: University of Montana Press, 1970). It is also useful to note that the ranchers in Montana do not seem to have been as susceptable to radical movements.

43. Hofstadter, The Age of Reform, pp. 131-134.

support from the farmers of North Dakota which put them in control of the state government from 1917 to 1921 and again during the 1930s.[44] Other expressions of radical agitation surfaced during the unstable period of the 1930s with probably the most colorful example in Montana being the Communist Party Rule in the eastern part of the state during the 1930s depression.[45] This is only a sampling of the most spectacular radical movements in the rural areas of Montana and the United States from 1870 to 1940 but it illustrates a sympathy for leftist radical thought among the farmers of the period.

In the 1950s and 1960s, however, the political activity of the rural population became known most for its conservatism and willingness to defend the status quo against more liberal urban interests. As Charles M. Hardin, now the Secretary of Agriculture, pointed out in an essay on agricultural politics, the rural politicians are now concerned with conserving their diminishing power in Congress and protecting the expensive programs which the farm interests gained in the 1940s and 1950s.[46] This change in the rural political outlook is certainly a result of a number of influences such as changing political fortunes and shifts in the popular ideals, but one

---

44. For a full discussion of the Nonpartisan League and Progressive politics in Montana please see Bruce Nelson, Land of the Dakotahs (Lincoln: University of Nebraska Press, 1946), Chapters 17 and 18; and Jules Karlin, "Progressive Politics in Montana," in Merrill G. Burlingame and K. Ross Toole, A History of Montana (New York: Lewis Historical Publishing Company, Inc., 1957), pp. 247-280.

45. Charles Vindex, "Radical Rule in Montana: . . . The Agonizing Years" Montana: The Magazine of Western History, vol. 18, no. 1, January, 1968, pp. 2-18.

46. Charles M. Hardin, "Agriculture in the Nation's Politics" in R. J. Hildreth, editor, Readings in Agricultural Policy (Lincoln: University of Nebraska Press, 1968), pp. 78-94.

underlying influence which seems of special importance to this author is the changing economic position of the farmers.

This changing economic position is illustrated by the data in table 4. The average U.S. farm has more than doubled from 149 acres in 1920 to 352 acres in 1964 while the value of the land and buildings has increased even faster, from $10,300 in 1920 to $50,600 in 1964. Similar information for Montana is given in table 5.

These figures point to a dramatic improvement in the economic position of the average farmer since 1920, but the figures for Montana are even more impressive. Note that the number of farms in Montana has been decreasing at a slower rate than those in the nation as a whole since 1950. The size of the average farm in Montana has increased by roughly 400 percent since 1920 or about twice as fast as for the nation as a whole. During the same period the value of the buildings and land on the average farm in Montana increased by approximately 750 percent compared with 500 percent for the nation as a whole. The improvement in the economic position of agriculture at the same time the agricultural population was shifting away from the radical political sentiment displayed early in the twentieth century seems likely to be more than coincidence.

One rationalization of increased agricultural production in America has been outlined in detail by Everett M. Rogers in Social Change in Rural Society: (1) Farms are specializing more in the production of one or two products because of the need for increased capital investment in machinery and equipment required for a modern operation. (2) Capital per farm worker in the United States in constant dollars increased by 65 percent

TABLE 4

Farms, Average Size of Farm, Average Value of Land and Buildings per Farm and per Acre, for the United States: 1850 to 1964

Year	Number of Farms: Total	Number of Farms: Percent Change from Preceding Census[1]	Average Size of Farm (acres)	Value of Land and Buildings: Average per Farm (dollars)	Value of Land and Buildings: Average per Acre (dollars)
1964	3,157,857	-14.9	351.6	50,646	143.81
1959	3,710,503	-22.6	302.8	34,768	114.82
1954[1]	4,782,416	-11.1	242.2	20,405	84.25
1950	5,388,437	- 8.1	215.8	14,005	64.97
1945[1]	5,859,169	- 3.9	194.8	7,917	40.63
1940	6,102,417	-10.5	174.5	5,532	31.69
1935[1]	6,812,350	8.3	154.8	4,823	31.16
1930	6,295,103	- 1.3	157.3	7,624	48.47
1925[1]	6,371,640	- 1.2	145.1	7,764	53.52
1920	6,453,991	1.4	148.5	10,295	69.31
1910	6,366,044	10.9	138.5	5,480	39.58
1900	5,739,657	25.7	146.6	2,905	19.82
1890	4,564,641	13.9	136.5	2,909	21.31
1880	4,008,907	50.7	133.7	2,544	19.02
1870	2,659,985	30.1	153.3	2,799	18.26
1860	2,044,077	41.1	199.2	3,251	16.32
1850	1,449,073	----	202.6	2,258	11.14

Source: U.S. Department of Commerce, Bureau of the Census, Census of Agriculture, 1964, Statistics by Subjects--Chapter 1, Size of Farm (Washington, D.C.: U.S. Government Printing Office, 1967), p. 241.

1. Data for Alaska and Hawaii not included.

Table 5

Farms, Average Size of Farm, Average Value of Land and Buildings per Farm and per Acre, for Montana, 1920 to 1964

Year	Number of Farms		Average Size of Farm (acres)	Value of Land and Buildings	
	Total	Percent Change from Preceding Census[1]		Average per Farm (dollars)	Average per Acre (dollars)
1964	27,020	- 6.7	2,437	103,271	42.30
1959	28,959	-12.4	2,213	76,761	34.69
1954	33,061	- 5.8	1,859	44,653	24.02
1950	35,085	- 7.1	1,689	28,475	16.86
1945	37,747	- 9.7	1,557	13,720	8.81
1940	41,823	-17.3	1,111	8,373	7.54
1935	50,564	6.5	940	7,433	7.91
1930	47,495	1.3	940	11,109	11.81
1925	46,904	-18.7	698	9,709	13.91
1920	57,677	----	608	13,468	22.15

Source: U.S. Department of Commerce, Bureau of the Census, Census of Agriculture, 1964, Statistics for the State and Counties, Montana (Washington, D.C.: U.S. Government Printing Office, 1967), p. 7; U.S. Department of Commerce, Bureau of the Census, Census of Agriculture, 1959, vol. 1, Counties, Part 38, Montana (Washington, D.C.: U.S. Government Printing Office, 1961), p. 5.

from 1940 to 1956. (3) Efficiency and productivity has increased to the point where in 1958 almost 90 percent more food and fiber could be produced on a given acreage than in 1948. (4) The size of the average farm has increased by almost 50 percent over the last 40 years. (5) At the same time, more farms are being used predominantly for residence, subsistence, and security rather than commercial production, as the increases in part-time farmers, gentlemen farmers, and residence farmers show. (6) An increasing portion of farm produce is being exported. (7) Part-time farming has increased the interdependence between nonfarm and farm employment. (8) The agricultural sector of the economy--agribusiness--is becoming increasingly integrated through contract farming, marketing associations, and other forms of vertical and horizontal integration.[47]

The change in American agriculture has been further characterized in Rogers' book in the following terms, which emphasize the change in the farmers' economic and social position:

> The very nature of modern farming is dynamic and changing. The stereotype of the independent farmer-pioneer is now obsolete; he has been replaced by a farmer in a business suit whose success is dependent on consumer preferences, government regulations, the cost of farm supplies, and the whims of foreign export. American agriculture is moving from a past era of rugged independence into a modern era of agribusiness, where farmers and agricultural industries are interdependent. On one hand, farmers are becoming integrated by businessmen via contract farming; on the other hand, farmers are gaining increasing control of purchasing and marketing functions through farmer-owned cooperatives [sic].[48]

---

47. Everett M. Rogers, Social Change in Rural Society: A Textbook in Rural Sociology (New York: Appleton-Century-Crofts, Inc., 1960), pp. 335-39.

48. Ibid., p. 335.

The change in agriculture has had two effects on the average farmer. His economic position has improved at the same time the technology he uses has become more complex. These two developments are closely related but not synonymous. The improved economic position of the farmer has certainly added to his personal security and feeling of satisfaction with the American economy. At the same time the farmer has been using increasingly sophisticated management techniques and machinery and is becoming a skilled technician more than a laborer with small capital holdings. Technology may also lead to alienation, increasingly impersonal relationships, and even dehumanization as different writers have suggested, but it also leads to a lower propensity for radicalism because the skilled farmer or farm worker is much harder to replace and consequently more secure in his position than the less skilled farm laborer or farm owner in the first part of this century.

Future Implications of the Technological Revolution in Agriculture

Assuming that the technological and economic changes in agriculture continue in the same general form as in the past, even more dramatic social changes might be expected.[49] The effects of technology on rural areas has not yet reorganized the basic patterns of rural social organization. The farmer might have become more a conservative businessman and less an insecure laborer with a tendency towards radicalism, but agriculture is still largely a family operation conducted in a small town

---

49. For a technical discussion of some of the future prospects for agriculture see Rex F. Daly, "Agriculture: Prospective Growth and Structural Change," in the President's National Advisory Commission on Rural Poverty, Rural Poverty in the United States (Washington, D.C.: U.S. Government Printing Office, 1968), pp. 415-420.

social milieu. The average farm of the future, however, might very well consist of a labor force and professional managers on payroll with the capital supplied by outsiders who do not play a part in the day to day operation of the enterprise.

The superfarm, or corporation farm as it is sometimes called, has an advantage over the family farm in that it can make more efficient use of its labor and capital resources. For example, equipment and buildings could be used more fully because of the increased amount of land served and labor with specialized skills could be hired and kept busy on a full time schedule. As Harold Breimyer, an agricultural economist, has pointed out "in some geographic areas and for some enterprises superfarms have become numerous enough to make clear that horizontal combinations of farms into super aggregations is no chimera today and is not to be dismissed easily as a possibility for tomorrow."[50]

Another form of integration taking place in agriculture is vertical integration which links the farm and nonfarm sectors of agribusiness. Vertical integration can take the form of contracts, marketing agreements, orders, or outright ownership but it usually involves the farmer committing himself to supply his product in exchange for a guaranteed market. The implications of vertical integration upon the traditional managerial independence of the farm owner has been discussed frequently, but little

---

50. Harold F. Breimyer, Individual Freedom and the Economic Organization of Agriculture (Urbana: University of Illinois Press, 1965), p. 134.

consensus seems to have developed other than that a continued increase of vertical integration in agriculture will probably result in dramatic changes in rural social patterns and values.[51] These probable changes have not yet been identified.

Agriculture in the future will probably become even more rationalized and technical than it is presently.[52] Large enterprises owned by non-participating capitalists, and worked by semiskilled laborers under managers could signal as dramatic a change for the farmer and agriculture in general as the development of the factory did for manufacturing. One of the main prospects for agricultural society, if present trends continue, is increasingly important social and economic divisions between workers, managers, and owners. An increase in the reliance on skilled workers might help avoid much of the potential friction between a large unskilled labor force and management, but an increasingly heterogeneous social structure seems the more likely prospect. At the same time that the horizontal integration into superfarms is progressing, vertical integration is likely to also become more common. The effect of vertical integration which is pointed out most often is the decreasing autonomy of the farm owner. The farm's independent entrepreneur might be moving even closer to becoming an agricultural executive.[53]

---

51. Breimyer, Individual Freedom and the Economic Organization of Agriculture, pp. 106-109.

52. Jerry D. Stockdale, "Social Implications of Technological Change in Agriculture," (mimeo), a paper presented at the Annual Meeting of the Rural Sociological Society, August 29, 1969, p. 7.

53. For a more complete but still tentative discussion see Breimyer, Individual Freedom, pp. 106-109.

The future of agricultural society is hardly set at this stage, but the increased rationalization and capitalization of agriculture have already dramatically affected the character of the American farmer by improving his security and economic position. Continuation of these trends suggests to many rural sociologists that some of the social problems involved with factories and urban society might become more important in rural states like Montana, not only because their industrial sector is of growing importance, but also because their agricultural sector is taking on many of the forms of organization which have previously characterized the manufacturing sector.